

CIA is digging to snare 'moles'

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By JOE TRENTO
Staff writer

WASHINGTON — Convinced that Soviet spies have penetrated the highest levels of the CIA, the agency's security division has launched a massive investigation to identify any double agents and find out who is responsible for the penetration.

One former senior intelligence officer called the probe "the most extensive security investigation in U.S. intelligence history."

The scope and purpose of the investigation were described by a former CIA director, a former deputy director, other CIA officials and sources in the Senate Intelligence Committee interviewed by the Sunday News-Journal. Some of the information was contained in documents shown to reporters.

According to the sources, the CIA is running the investigation from the office of its security chief, Robert Gambino, who is under instructions to dig out the facts before the Senate Intelligence Committee starts public hearings and before any leaks appear in the press.

The News-Journal papers disclosed last month that the Senate panel had started a top-secret investigation of its own into the allegations of a "mole" within the CIA.

The intelligence sources said the CIA, like the Senate committee, is focusing on two former agency directors, Richard M. Helms and William E. Colby, and on James J. Angleton, retired CIA counterintelligence chief, in an effort to assign blame for any laxity that allowed the apparent major breach of security.

Dale Peterson, a CIA spokesman, said he could not comment.

"It is of a highly sensitive

nature. We hope to be able to offer some comment in the future. Needless to say, we are cooperating in every way with the Senate Intelligence Committee," Peterson said.

A former deputy director of the agency said CIA supporters fear the Senate committee's investigation, if not handled properly, could destroy the CIA as the nation's premier intelligence agency.

The former deputy director called it "the most extensive security investigation in U.S. intelligence

history since that could determine if there is a civilian CIA or if we become part of the Pentagon."

Since the Senate committee's investigation was first reported June 7, the CIA internal investigation has gone into high gear.

One former CIA director said, "They are questioning all our top staff people. No one is above suspicion. The security people are going through the archives back to every Soviet defector starting back to the formation of the agency."

The CIA was established in 1947.

Both the former director and former deputy director asked not be identified.

Former counterintelligence chief Angleton said the investigation was triggered by the publication of Edward Jay Epstein's "Legend: The Secret World of Lee Harvey Oswald." In the book, Epstein writes that Yuri Ivanovich Nosenko was a Soviet double agent sent as a defector to feed misinformation to the CIA.

According to Angleton and others interviewed by Epstein, Nosenko was sent to the United States to convince the CIA that

Lee Harvey Oswald was never a Soviet agent. According to CIA sources and Epstein's book, Nosenko's credentials were believed genuine and he was given a new identity and accepted as a defector despite the opposition of Angleton and his counterintelligence staff. Nosenko is currently a \$35,000-a-year adviser to the CIA.

Former Secretary of Defense Melvin Laird, now working at Readers Digest, publishers of the Epstein book, opened doors for Epstein at the department of Defense, CIA sources said.

This allowed him to track down and interview Oswald's Marine Corps colleagues. Laird's former intelligence deputy, William T. Baroody, steered Epstein toward Newt "Pete" Bagley, who was deputy of the Soviet desk at the CIA and who became Epstein's primary source on Nosenko, according to the CIA report.

Baroody is currently president of the American Enterprise Institute, a politically conservative foundation that includes among its employees former President Gerald R. Ford.

It was the "level" of these sources that alarmed CIA security officials when the book was released last March. It prompted one retired clandestine services officer to say, "We had overlooked the 'mole' thing because we thought it was the typical argument of Angleton and his people, but certain events and leaks from the agency could, in the view of the security people, be only explained by a mole."

Angleton, in a telephone interview, confirmed that he had acted as one source on the Epstein book and said he did not believe Nosenko was a sincere defector and was in fact a double agent.

Bagley, a long-time friend of Angleton, went to then-CIA director Helms and urged Helms not to accept Nosenko's credentials, according to the preliminary CIA report.

Helms ordered Bagley to withdraw his objections, but Bagley refused, according to the report, and, under an unwritten order from Helms, he was never promoted above his grade level in the agency. Bagley has since retired.

The report, being compiled by several former CIA officials brought back from retirement to augment the CIA security staff, is being turned over in "bits and pieces" to the Senate Intelligence Committee.

Cleveland Cram, the former Canada station chief in Ottawa, was called out of retirement to review defector cases and Angleton's specific dealing with defectors.

Cram is considered an old Angleton adversary because of a run-in over a Canadian intelligence official. Angleton accused James Bennett of being a possible KGB operative while working as a civilian for the Royal Canadian Mounted Police.

According to Senate Intelligence Committee sources, this hindered Cram's operations in Ottawa. Bennett is currently involved in the Canadian government's investigation of Royal Canadian Mounted Police activities.

Cram has been allowed to review CIA "soft" or raw files, and CIA computer files on all major defectors cases to identify those CIA officials responsible for making decisions concerning defectors.

One Senate Intelligence Committee consultant says the Epstein book has "big political overtones for the agency." William D. Corson, a former Marine intelligence officer under contract to the CIA, said, "The Epstein book cost half a million dollars to research. It is an accurate book, but the reason it was written and guided through was that Laird, Baroody and those responsible for it were attempting to get a body blow at the CIA and turn intelligence totally over to the military."

CIA sources are also puzzled that Hugh Montgomery, Moscow station chief at the time Oswald was in Russia, was never called in to advise on the Nosenko case. Montgomery is currently chief of station in Rome and has been questioned in the internal investigation, according to CIA sources.

Among those interviewed by Cram in his effort to determine Angleton's role in connection with a possible mole, is Clair E. Petty, who was a "deep-cover" European counterintelligence assistant to Angleton. Petty is now retired and living in Annapolis, Md.

Petty told the Sunday News-Journal, "I was questioned about Angleton and his role in some defector cases. I did tell Cram about a report we had from a source that Henry Kissinger may have had a KGB connection and that Jim ordered an investigation. We never were able to trace it down one way or the other. It wasn't provable."

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Angleton refused to comment on the Kissinger investigation, saying, "I won't talk about that now."

As part of the CIA investigation, the circumstances of Angleton's celebrated December 1974 firing are being reopened. Colby said Angleton was fired because it was discovered that, as part of his counterintelligence efforts, he was illegally opening mail on a regular basis.

CIA investigators discovered that Angleton was operating under signed orders of every director starting with Allen Dulles during the Eisenhower years and ending with Richard Helms.

Widespread reports that Angleton headed domestic spying activity in the late '60s and early '70s are contradicted by a top-secret memo made available to the Sunday News Journal.

It is dated May 19, 1968, and is from Jerris Leonard, a deputy general in the Nixon administration's Justice Department, to Richard Ober of the CIA White House staff, who coordinated activities between the Nixon administration and Helms. The memo said the CIA should assist in monitoring radical students, collecting damaging information about the students and seeing what communist connections they might have.

A note at the bottom of the memo from "DCI" (director of central intelligence — at that time, Helms) said there was no need to inform anyone at the CIA of these plans, especially the counterintelligence staff which Angleton headed.

While the question of who might have been the mole has not been answered, the Senate Intelligence Committee is beginning its investigation with the questioning of Angleton, Helms and Colby.

Angleton confirmed that he would appear before the committee, and said, "I am willing to defend my record any place, in closed or open session."

Perhaps the most telling part of the CIA's attitude toward Angleton in its investigation can be found in the fact that the ex-wife of Angleton's top aide was called out of retirement to aid in the probe. Cordelia Rocca, ex-wife of Angleton's deputy and confidant, Raymond Rocca, had also worked for Angleton. Rocca, who resigned when Angleton was fired, is reported ill with a blood disorder.

(Ralph S. Moynihan also contributed to this story.)

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Checked with Bill Miller who said
the story is not true in its references
to the SSCI.

Checked with [redacted] who said
there is no such Office of Security
investigation underway.

[redacted]

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